

2 May 2017

Dear Colleague

Voluntary Bonding Scheme Review 2017

The Ministry has undertaken some initial work as part of a review of the Voluntary Bonding Scheme (VBS). The work has considered core problem identification and rationale for the introduction of the VBS i.e. to address some of the geographic and specialty maldistribution of the health workforce which has impacted on New Zealanders' access to health services closer to home. It has included analysis of available evidence on the factors that make the professional groups and communities currently listed on VBS hard to staff and considered the evidence about effective ways to address those factors, including (but not limited to) the effectiveness of VBS.

Based on the initial work the Minister of Health has asked the Ministry to look at aligning VBS with a bundle of education sector and employer-led initiatives that combined are more likely to be effective in achieving the outcomes sought. The Minister also wants to see improvements to VBS including more rigorous criteria for verifying hard to staff professional groups, specialties and communities. Improvements to VBS will be cost neutral i.e. there will be no less and no more investment in VBS.

The Ministry will begin discussions with key organisations and stakeholders on the aligned bundle of strategies that need to be operating together, as future prioritisation will focus on hard to staff areas where combined strategies are in place or are planned. Four categories of strategies – education, regulation, financial incentives, and professional and personal support – have been used in a number of developed countries to address geographic and specialty maldistribution, and improve attraction, recruitment and retention of the health workforce; refer Appendix one for illustrative examples.

Note this initial letter is for your information only. You will be receiving more details on the VBS review from the Ministry over the next couple of months and be provided with the opportunity to make a submission.

Yours sincerely

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Appendix one

Illustrative examples of effective strategies to address hard to staff health areas

Category of strategies	Examples
Education	<ul style="list-style-type: none"> • Students from rural backgrounds or with strong interest in a speciality • Health professional schools outside of major cities (e.g. satellite locations in remote or rural areas) • Clinical rotations or other targeted placements in hard to staff communities and specialities • Curricula that reflects health needs (i.e. in rural or speciality area) • Familiarisation programmes in specific rural/remote/special areas • Continuous professional development for rural health workers/those in speciality areas <p><u>Initiatives in New Zealand already underway</u></p> <ul style="list-style-type: none"> • Rural immersion training programme • Home science academies
Regulation	<ul style="list-style-type: none"> • Enhanced scope of practice • Different types of health workers • Subsidised education for return to service <p><u>Initiatives in New Zealand already underway</u></p> <ul style="list-style-type: none"> • Nurse prescribing • Health Practitioners (Replacement of Statutory References to Medical Practitioners) Act • Changes to the Standing Orders Regulations
Financial incentives	<ul style="list-style-type: none"> • Appropriate financial incentives (direct or indirect), for example: <ul style="list-style-type: none"> ○ Loan repayments ○ Practice assistance for rural physicians ○ Salary guarantees ○ Service-requiring scholarships or bursaries ○ Grants ○ Provision of continuing professional education <p><u>Initiatives in New Zealand already underway</u></p> <ul style="list-style-type: none"> • Voluntary Bonding Scheme – loan repayment or same incentive where no loan
Professional and personal support	<ul style="list-style-type: none"> • Safe and supportive working environments – for example, through coaching, mentoring, and employee assistance • Communities of practice or outreach support • Career development programmes including distance learning, and telehealth • Professional networks • Public recognition measures <p><u>Initiatives in New Zealand already underway</u></p> <ul style="list-style-type: none"> • Rural midwifery locum programme